


**Council of the District of Columbia
COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT
COMMITTEE REPORT**

1350 Pennsylvania Avenue, N.W., Washington, D.C. 20004

To: Members, Council of the District of Columbia
From: Councilmember Kenyan R. McDuffie, Chairperson 
Date: November 29, 2022
Subject: Report on Bill 24-1034, the “Child Wealth Building Amendment Act of 2022”

The Committee on Business and Economic Development (“Committee”), to which Bill 24-1034, the “Child Wealth Building Amendment Act of 2022” was referred, reports favorably on the legislation and recommends approval by the Council of the District of Columbia.

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I. STATEMENT OF PURPOSE AND EFFECT

Background

In the Fall of 2021, the Council of the District of Columbia enacted the Child Wealth Building Act, which created a “baby bonds” (child trust fund) program to benefit low-wealth families that are supported by Medicaid and place their children in a better position to build and maintain economic security and prosperity. There are approximately 9,500 children born annually in the District and roughly 20% of all children in DC live below the poverty line. Today, approximately 4,375 District youth are eligible for the Program.

The need for the program was informed by research that shows that, at the median, white families have ten times more wealth than African American families and eight times the wealth of

Latino families.¹ Furthermore, since the beginning of 2017, the collective wealth of white households has increased by nearly \$12 trillion nationwide. Meanwhile, the collective wealth of Black and Latino households has grown by only \$1 trillion. Here, in the the nation's capital, the median wealth of a white household is 81 times that of a Black household. That translates to \$284,000 in wealth for white families and just \$3,500 for Black families. Studies concluded that this inequity is not an accident, but is the result of decades of systemic racism and the purposeful exclusion of Black people from wealth building opportunities, both public and private, present in our economy. It is only through economic circumstances resulting from generational wealth accumulated under institutional racism that leaves communities of color at such an economic disadvantage.

Wealthier families are at an advantage due to the capital they hold, since they can provide for elite education and access to capital to start businesses, finance otherwise expensive medical care, or withstand financial hardship resulting from any number of emergencies, among other things. Seed capital programs, such as Baby Bonds, are an economical approach to bridge the racial wealth gap. Baby Bonds seek to deliver a pathway that will provide economic security independent of a child's family financial status.

Consequently, the District launched a government-sponsored trust fund for children born in the District to qualifying households to invest in their future economic stability. Current law allows for the program and special Fund to be managed and administered by the Office of the Chief Financial Officer of the District (OCFO). The District appropriated approximately \$32 million in Fiscal Years 2022 through 2025 to support this initiative. Under current law, the OCFO is required to review the federal poverty guidelines to determine whether a household qualifies and the amount to be deposited into the eligible child's Fund.

Specifically, the program provides a subsidized wealth building and investment account for each eligible child covered under the District's Medicaid program. Every eligible child born to households earning below 300% of the federal poverty line will receive \$500 at birth and up to \$1,000 annually, based on the family income. Lower-income families will receive larger endowments. If a child is no longer covered under Medicaid and/or if the child's household's income increases above the federal poverty guideline, the annual deposit amounts will cease. The monies held in trust for each enrolled child will become available when the child reaches 18 years of age. The monies may be used for educational purposes, business ownership, homeownership, or retirement.

Purpose and Effect

Since the adoption of the Fiscal Year 2022 budget, in which the Council funded the Child Wealth Building program, the OCFO has been working to establish and implement the program. As part of its efforts to finalize and promulgate the program regulations and procure the services of a fund manager, the OCFO determined that a few clarifying amendments to the law were

¹ Schuetz, J. (2020). (issue brief). Rethinking Homeownership Incentives to Improve Household Financial Security and Shrink the Racial Wealth Gap. Brookings. Retrieved 2021, from <https://www.brookings.edu/research/rethinking-homeownership-incentives-to-improve-household-financial-security-and-shrink-the-racial-wealth-gap>.

needed. For example, the OCFO determined that it would be more efficient for the District to establish a single Child Trust Fund, rather than multiple individual accounts, from which monies would be designated for each eligible child. Moreover, the OCFO advised that the current law needed to better outline annual reporting requirements on part of the OCFO and the Departments of Human Services and Health Care Finance. Additionally, the amendatory act sets a date by which the OCFO must promulgate rules for the Program and allows the parents and guardians of eligible children, who lack the requisite capacity, to receive Fund information on their child's behalf.

Accordingly, Bill 24-1034, the "Child Wealth Building Amendment Act of 2021" (Bill), was introduced on October 3, 2022, by Councilmember McDuffie and referred to the Committee on Business and Economic Development on October 18, 2022. The Committee held a public hearing on the Bill on November 22, 2022.

II. LEGISLATIVE HISTORY

| | |
|-------------------|---|
| October 3, 2022 | Bill 24-1034 is introduced by Councilmember McDuffie at the Office of the Secretary. |
| October 14, 2022 | Notice of Intent to Act on B24-1034 is published in the <i>District of Columbia Register</i> . |
| October 18, 2022 | B24-1034 is referred to the Committee on Business and Economic Development. |
| November 2, 2022 | Notice of Public Hearing on B24-1034 is filed in the Office of the Secretary. |
| November 4, 2022 | Notice of Public Hearing on B24-1034 is Published in the <i>District of Columbia Register</i> . |
| November 22, 2022 | Public Hearing on B24-1034 is held by the Committee on Business and Economic Development. |
| November 28, 2022 | Mark Up Notice for B24-1034 is filed with the Office of the Secretary. |
| November 29, 2022 | Consideration and vote on B24-1034 by the Committee on Business and Economic Development. |

III. POSITION OF THE EXECUTIVE²

On November 22, 2022, the Committee held a public hearing on Bill 24-1034, the "Child Wealth Building Amendment Act of 2022". The Committee received testimony from Carmen

² The Office of the Chief Financial Officer is an office independent of both the executive and legislative branches of the District government.

Pigler, Treasurer, with the Office of the Chief Financial Officer. Her testimony is attached hereto and summarized below.

IV. ADVISORY NEIGHBORHOOD COMMISSION COMMENTS

Mr. Robert Brannum with ANC 5E08 testified in support of the proposed measure.

V. WITNESS LIST AND HEARING RECORD

The Committee held a public hearing on November 22, 2022. The witness list and hearing record for this measure are attached hereto and hereby incorporated by reference. A video recording of the hearing can be viewed online at www.oct.dc.gov. Testimony submitted for the record are also attached hereto and hereby incorporated by reference. The following witnesses testified at the hearing:

Public Witness

Robert Brannum, Commissioner, ANC 5E08

Mr. Robert Brannum testified in support of the proposed measure. He stated that the child wealth building program will help bridge the racial wealth gap in the District of Columbia.

Government Witness

Carmen Pigler, Treasurer, Office of the Chief Financial Officer (OCFO)

Ms. Carmen Pigler provided written and oral testimony on behalf of the OCFO. She stated that the proposed amendatory act would amend the existing act in several important ways. Namely, she stated that the Child Wealth Building Program would have one fund in lieu of several individual accounts which would make implementing the Program more efficient and would lower administration costs. Ms. Pigler also noted that the proposed act would allow the parents and guardians of children enrolled in the Program, who lack legal capacity, to receive information about their child's fund.

VI. IMPACT ON EXISTING LAW

Bill 24-1034, the "Child Wealth Building Amendment Act of 2022" amends the Child Wealth Building Act of 2021 (D.C. Law 24-53; D.C. Official Code § 4-681.01) by authorizing distributions from the Child Trust Fund for eligible enrollees, eliminating individual child trust fund accounts, outlining annual reporting requirements, setting a date by which rules must be promulgated by OCFO, and making other technical changes.

VII. FISCAL IMPACT

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

VIII. RACIAL EQUITY IMPACT

The Council adopts the Racial Equity Impact Assessment provided by the Council's Office of Racial Equity.

IX. SECTION-BY-SECTION ANALYSIS

- Sec. 1** Contains the short title of the Bill.
- Sec. 2** Amends D.C. Law 24-53 (D.C. Official Code § 4-681.01).
- Sec. 3** Provides the fiscal impact statement.
- Sec. 4** Provides the effective date of the Act.

X. COMMITTEE ACTION

The Committee held a markup on November 29, 2022, to consider and vote on Bill 24-1034, the "Child Wealth Building Amendment Act of 2022". The meeting was called to order at 10:08 a.m. Chairperson Kenyan R. McDuffie recognized a quorum consisting of himself and Councilmembers Mary Cheh, Charles Allen, and Vincent Gray.

Chairperson McDuffie, without objection, moved the Committee Report and Print for Bill 24-1034 en bloc, with leave for staff to make technical, editorial, and conforming changes. After opportunity for discussion, the Committee voted 4-0 to approve the Committee Report and Print with the members voting as follows:

YES: Chairperson McDuffie and Councilmember Cheh, Allen, and Gray
NO:
PRESENT:
ABSENT: Councilmember Pinto

XI. ATTACHMENTS

- (A) B24-1034, as introduced
- (B) Notice of Public Hearing on B24-1034, as published in the *District of Columbia Register*
- (C) Public Hearing Agenda and Witness List
- (D) Witness Testimony
- (E) Fiscal Impact Statement
- (F) Legal Sufficiency Determination
- (G) Racial Equity Impact Assessment
- (H) Comparative Print of B24-1034
- (I) Committee Print of B24-1034

A


Councilmember Kenyan R. McDuffie

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Child Wealth Building Act of 2021 to authorize distributions from the Child Trust Fund for eligible enrollees, eliminate child trust fund accounts, and for other purposes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Child Wealth Building Amendment Act of 2022”.

Sec. 2. The Child Wealth Building Act of 2021, effective February 18, 2022 (D.C. Law 24-53; D.C. Official Code § 4-681.01 *et. seq.*), is amended as follows:

(a) Section 2 (D.C. Official Code § 4-681.01) is amended as follows:

(1) Paragraph (4) is repealed.

(2) Paragraph (8)(A)(i) is amended by striking the word “Medicaid” and inserting the phrase “DC Medicaid” in its place.

(b) Section 3 (D.C. Official Code § 4-681.02) is amended as follows:

(1) Subsection (a) is amended as follows:

(A) Strike the phrase “subsection (c)” and insert the phrase “subsection (d) in its place.

(B) Strike the sentence “The Chief Financial Officer shall establish within the Fund a child trust fund account for each eligible child enrolled in the CTF Program.”.

(2) Subsection (c) is repealed.

(3) Subsection (d) is amended as follows:

(A) The lead-in language is amended by striking the phrase “paid into the fund” and inserting the phrase “paid into the Fund” in its place.

(B) Paragraph (1) is amended by striking the phrase “section 7;” and inserting the phrase “section 7 (D.C. Official Code § 4-681.06), and in accordance with the rules issued pursuant to this act;” in its place;

(4) Subsection (e) is amended by striking the phrase “subsections (c) and (d) of this section” and inserting the phrase “subsection (d) of this section” in its place.

(c) Section 4 (D.C. Official Code § 4-681.03) is amended as follows:

(1) Subsection (a) is amended to read as follows:

“(a) There is established a Child Trust Fund Program, which shall be administered by the Chief Financial Officer, in consultation with the Department of Human Services and the Department of Health Care Finance, under which amounts from the Fund shall be designated for each enrollee in the CTF program pursuant to section 7 (D.C. Official Code § 4-681.06).”.

(2) Subsection (b) is amended as follows:

(A) Paragraph (1) is amended as follows:

(i) Strike the word “Medicaid” and insert the phrase “DC Medicaid” in its place.

(ii) Strike the period and insert the phrase “; except, that parental consent shall be provided by the eligible child’s parent or guardian within 18 months of the birth of the child to be eligible for enrollment in the CTF Program.” in its place.

(B) Paragraph (2) is amended to read as follows:

54 “(2) The Chief Financial Officer, or the designee, or employees of the
55 Chief Financial Officer, or employees of the designee shall not disclose information with respect
56 to a distribution made from the Fund; except, that information regarding distribution may be
57 disclosed, pursuant to rule, to the beneficiary of the distribution or to another person at the
58 beneficiary's request.”.

59 (C) A new Paragraph (3) is added to read as follows:

60 “(3) The Chief Financial Officer, or the designee, or employees of the Chief
61 Financial Officer, or employees of the designee may disclose information regarding a
62 distribution made pursuant to section 7 (D.C. Official Code § 4-681.06) to a parent or guardian if
63 the beneficiary lacks legal capacity to request the information.”.

64 (3) Subsection (c) is amended as follows:

65 (A) Paragraph (1) is amended by striking the phrase “to the child trust
66 fund account” and inserting the phrase “in the Fund” in its place.

67 (B) Paragraph (2) is amended as follows:

68 (i) Strike the phrase “the deposit amount designated to the child
69 trust fund account” and insert the phrase “the deposit amount designated in the Fund” in its
70 place.
71

72 (ii) Strike the phrase “Annual Deposit Amount” in the tabular array
73 and insert the phrase “Annual Designated Amount” in its place.

74 (C) Paragraph (3) is amended by striking the phrase “annual deposit” and
75 inserting the phrase “annual amount” in its place.

76 (4) Subsection (d) is amended by striking the phrase “the annual deposit amounts
77 shall cease but the amounts credited to the eligible child’s trust fund account during the period of

deposits” and inserting the phrase “the annual amounts designated in the Fund for the enrollee shall cease but the amounts already designated for the enrollee in the Fund” in its place.

(d) Section 6 (D.C. Official Code § 4-681.05) is amended as follows:

(1) Subsection (a)(1) is amended by striking the phrase “shall be automatic.” and inserting the phrase “shall be automatic, pursuant to the requirements of section 4 (D.C. Official Code § 4-681.03).” in its place.

(2) Subsection (b)(1) is amended by striking the phrase “verification by the Chief Financial Officer” and inserting the phrase “verification by the Department of Human Services or the Department of Health Care Finance” in its place.

(e) Section 7 (D.C. Official Code § 4-681.06) is amended as follows:

(1) Subsection (a) is amended as follows:

(A) Paragraph (1) is amended as follows:

(i) Subparagraph (A) is amended as follows:

(I) Strike the phrase “pro rata share of money in the Fund” and insert the phrase “dedicated share of money in the Fund pursuant to section 4 (D.C. Official Code § 4-681.03)” in its place.

(II) Strike the phrase “resident.” and insert the phrase “resident, and meets all other requirements set forth in this act.” in its place.

(ii) Subparagraph (B) is amended by striking the word “disable” and inserting the word “disabled” in its place.

(B) Paragraph (2) is amended by striking the phrase “credited to his or her child trust fund account” and inserting the phrase “designated in the Fund” in its place.

(2) Subsection (b)(1) is amended by striking the phrase “a child trust fund

account” and inserting the phrase “the Fund” in its place.

(f) Section 8 (D.C. Official Code § 4-681.07) is amended as follows:

(1) Designate the existing text as subsection (a).

(2) The newly designated subsection (a) is amended to read as follows:

“(a) By March 1 of each year, the Chief Financial Officer shall submit a report to the Council for the preceding fiscal year that includes:

“(1) The aggregate amount of funds in the CTF Program;

“(2) An aggregated list of the purposes for which distributed funds were used;

“(3) The amount of money in the Fund gained by investments;

“(4) The amount of money in the Fund decreased by investment loss;

“(5) The amount of money in the Fund decreased by administrative costs;”

“(6) The number of eligible children in the CTF Program;”

“(7) The race or ethnicity of each eligible child, where possible;” and

“(8) Recommendations for improving the CTF Program.”.

(3) A new subsection (b) is added to read as follows:

“(b) By February 1 of each year, the Department of Human Services shall submit the following information to the Office of the Chief Financial Officer for the preceding fiscal year, which the Chief Financial Officer shall include in his annual report to the Council:

“(1) The number of eligible children in the CTF Program;

“(2) The race or ethnicity of each eligible child, where possible; and

“(3) Recommendations for improving the CTF Program.”.

(g) Section 9 (D.C. Official Code § 4-681.08) is amended by striking the phrase “Within 60 days after the applicability of this act, the Chief Financial Officer” and inserting the phrase “By December 31, 2022, the Chief Financial Officer” in its place.

Sec. 3. Fiscal impact statement.

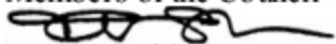
The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 4. Effective date.

This act shall take effect following the approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

COUNCIL OF THE DISTRICT OF COLUMBIA
1350 Pennsylvania Avenue, N.W.
Washington D.C. 20004

Memorandum

To : Members of the Council
From :  Nyasha Smith, Secretary to the Council
Date : Wednesday, October 5, 2022
Subject : Referral of Proposed Legislation

Notice is given that the attached proposed legislation was introduced in the Office of the Secretary on Monday, October 03, 2022. Copies are available in Room 10, the Legislative Services Division.

TITLE: "Child Wealth Building Amendment Act of 2022", B24-1034

INTRODUCED BY: Councilmember McDuffie

The Chairman is referring this legislation to the Committee on Business and Economic Development.

Attachment
cc: General Counsel
Budget Director
Legislative Services

B

Council of the District of Columbia
COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT
NOTICE OF PUBLIC HEARING
1350 Pennsylvania Avenue, N.W., Washington, D.C. 20004

COUNCILMEMBER KENYAN R. McDUFFIE, CHAIRPERSON
COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

ANNOUNCES A
PUBLIC HEARING ON

**PR24-1035, THE “SOCIETY FOR SCIENCE AND THE PUBLIC REVENUE BONDS
PROJECT APPROVAL RESOLUTION OF 2022”**

**PR24-0993, THE “PROVIDENT GROUP – BISON PROPERTIES, INC. REVENUE
BONDS PROJECT APPROVAL RESOLUTION OF 2022”**

**B24-1089, THE “HOWARD UNIVERSITY PROPERTY TAX EXEMPTION
CLARIFICATION AMENDMENT ACT OF 2022”**

B24-1034, THE “CHILD WEALTH BUILDING AMENDMENT ACT OF 2022”

**B24-0930, THE “VOLUNTEERS OF AMERICA, INC. NATIONAL SERVICE CENTER
RELOCATION TAX EXEMPTION AMENDMENT ACT OF 2022”**

**PR24-0839, THE “EASTERN BRANCH BOYS AND GIRLS CLUB DISPOSITION
APPROVAL RESOLUTION OF 2022”**

**B24-0454, THE “REDISCOVER EQUITABLE CENTRAL OCCUPANCY VITALITY AND
ENCOURAGE RESILIENT YIELD AMENDMENT ACT OF 2021”**

Tuesday, November 22, 2022, at 9:00 a.m.
Remote Hearing via Virtual Platform
Broadcast live on DC Council Channel 13
Streamed live at www.dccouncil.us and entertainment.dc.gov

On Tuesday, November 22, 2022, Councilmember Kenyan R. McDuffie, Chairperson of the Committee on Business and Economic Development, will hold a public hearing to consider the following measures:

- PR24-1035, the “Society for Science and the Public Revenue Bonds Project Approval Resolution of 2022”
- PR 24-0993, the “Provident Group – Bison Properties, Inc. Revenue Bonds Project Approval Resolution of 2022”
- Bill 24-1089, the “Howard University Property Tax Exemption Clarification Amendment Act of 2022”
- Bill 24-1034, the “Child Wealth Building Amendment Act of 2022”
- Bill 24-0930, the “Volunteers of America, Inc. National Service Center Relocation

Tax Exemption Amendment Act of 2022”

- PR 24-0839, the “Eastern Branch Boys and Girls Club Disposition Approval Resolution of 2022”
- Bill 24-0454, the “Rediscover Equitable Central Occupancy Vitality and Encourage Resilient Yield Amendment Act of 2021”

Proposed Resolution 24-1035, the “Society for Science and the Public Revenue Bonds Project Approval Resolution of 2022” would authorize the issuance, sale, and delivery, in an aggregate amount not to exceed \$25 million of District of Columbia revenue bonds in one or more series and provides for the loan of the proceeds of such bonds to assist Society for Science in the financing, refinancing, or reimbursing of costs associated with an authorized project pursuant to section 490 of the District of Columbia Home Rule Act.

Proposed Resolution 24-0993, the “Provident Group – Bison Properties, Inc. Revenue Bonds Project Approval Resolution of 2022” would authorize the issuance, sale, and delivery, in an aggregate principal amount not to exceed \$500 million, of District of Columbia revenue bonds in one or more series, and authorizes and provides for the loan of the proceeds of the bonds to assist Provident Group - Bison Properties Inc., in the financing, refinancing, or reimbursing of costs incurred by Provident Group - Bison Properties Inc., associated with an authorized project pursuant to section 490 of the District of Columbia Home Rule Act.

Bill 24-1089, the “Howard University Property Tax Exemption Clarification Amendment Act of 2022”, would provide a real property tax exemption and other tax relief for property located at 500 Harvard Street, NW, in Lot 0015, Square 3055, owned or leased by Howard University and its affiliates.

Bill 24-1034, the “Child Wealth Building Amendment Act of 2022”, would amend the Child Wealth Building Act of 2021 to authorize distributions from the Child Trust Fund for eligible enrollees, eliminate child trust fund accounts, and for other purposes.

Bill 24-0930, the “Volunteers of America, Inc. National Service Center Relocation Tax Exemption Amendment Act of 2022”, would amend Chapter 46 of Title 47 of the District of Columbia Official Code to provide an exemption of real property taxes on property owned by Volunteers of America, Inc.

Proposed Resolution 24-0839, the “Eastern Branch Boys and Girls Club Disposition Approval Resolution of 2022”, would allow the disposition of District-owned real property located at 261 17th Street, S.E., and identified for taxation and assessment purposes as Lot 0802 in Square 1088, to Morningstar Community Development, LLC to create an adaptive reuse of a currently vacant structure that will provide approximately thirty-five for-sale residential units, eleven of which shall be affordable, and approximately 2,500 square feet of community serving space.

Bill 24-0454, the “Rediscovery Equitable Central Occupancy Vitality and Encourage Resilient Yield Amendment Act of 2021”, would provide an economic recovery package for the Central Business District (“CBD”), including incentivizing mixed-use conversions and new businesses to locate in the CBD. It would also provide temporary tax relief for innovative businesses that locate in the CBD and meet hiring and economic inclusion requirements.

The Committee invites the public to testify remotely or to submit written testimony. Anyone wishing to testify must register in advance via the following link: https://dccouncil-us.zoom.us/webinar/register/WN_8tLQEK5jQLODE70F73rKkA **by 5PM Friday, November 18, 2022.**

Witnesses are encouraged to submit their written testimony in writing in advance of the roundtable to BusinessEconomicDevelopment@dccouncil.gov. To be included in the record, please indicate that you are submitting testimony for this hearing in the subject line of the e-mail. **The record for this hearing will close at 12PM Monday, November 28, 2022.**

Public witnesses will participate remotely and will receive a confirmation email after registering online as outlined above. All public witnesses will be allowed a maximum of three minutes to testify. At the discretion of the Chair, the length of time provided for oral testimony may be reduced or extended.

For accommodation requests, including spoken language or sign language interpretation, please BusinessEconomicDevelopment@dccouncil.gov of the need as soon as possible, but no later than five (5) business days before the proceeding. The Council will make every effort to fulfill timely requests. However, requests received less than five (5) business days prior to the hearing may not be fulfilled and alternatives may be offered.

Please contact BusinessEconomicDevelopment@dccouncil.gov for additional information.

C

Council of the District of Columbia
COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT
AGENDA AND WITNESS LIST
1350 Pennsylvania Avenue, N.W., Washington, D.C. 20004

COUNCILMEMBER KENYAN R. McDUFFIE, CHAIRPERSON
COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

ANNOUNCES A
PUBLIC HEARING ON

**B24-0454, THE “REDISCOVER EQUITABLE CENTRAL OCCUPANCY VITALITY AND
ENCOURAGE RESILIENT YIELD AMENDMENT ACT OF 2021”**

**PR24-0839, THE “EASTERN BRANCH BOYS AND GIRLS CLUB DISPOSITION APPROVAL
RESOLUTION OF 2022”**

**PR24-1035, THE “SOCIETY FOR SCIENCE AND THE PUBLIC REVENUE BONDS PROJECT
APPROVAL RESOLUTION OF 2022”**

**PR24-0993, THE “PROVIDENT GROUP – BISON PROPERTY, INC. REVENUE BONDS
PROJECT APPROVAL RESOLUTION OF 2022”**

**B24-1089, THE “HOWARD UNIVERSITY PROPERTY TAX EXEMPTION CLARIFICATION
AMENDMENT ACT OF 2022”**

**B24-0930, THE “VOLUNTEERS OF AMERICA, INC. NATIONAL SERVICE CENTER
RELOCATION TAX EXEMPTION AMENDMENT ACT OF 2022”**

B24-1034, THE “CHILD WEALTH BUILDING AMENDMENT ACT OF 2022”

Tuesday, November 22, 2022, at 9:00 am
Remote Hearing via Virtual Platform
Broadcast live on DC Council Channel 13
Streamed live at www.dccouncil.gov and entertainment.dc.gov

AGENDA AND WITNESS LIST

I. CALL TO ORDER

II. OPENING REMARKS

III. WITNESS TESTIMONY

***A. B24-0454, the “Rediscover Equitable Central Occupancy Vitality and Encourage
Resilient Yield Amendment Act of 2021”***

i. Public Witnesses

1. Howard Marks, Vice President, Residences at Gallery Place Condominium Association
2. Thomas Penny, President, Donohoe Hospitality Services

3. Susanne White, Vice President for Real Estate Services, Washington DC Economic Partnership
4. Rebecca Strausee, Director of Economic Initiatives, Federal City Council
5. Yesim Sayin, Executive Director, DC Policy Center
6. Trupti Patel, ANC 2A03
7. Leona Agouridis, Golden Triangle BID
8. Gerren Price, Downtown BID
9. Evan Weisman, President, Donohoe Development Company

ii. Government Witness

1. John Falcicchio, Deputy Mayor for Planning and Economic Development

B. PR24-0839, the “Eastern Branch Boys and Girls Club Disposition Approval Resolution of 2022”

i. Public Witnesses

1. Stan Voudrie, Morningstar Community Development, LLC
2. Mazen Zaatari, Morningstar Community Development, LLC

ii. Government Witness

1. Alex Feinman, Development Manager, Office of the Deputy Mayor for Planning and Economic Development

C. PR24-1035, the “Society for Science and the Public Revenue Bonds Project Approval Resolution of 2022”

i. Public Witnesses

1. Maya Ajmera, President & CEO, Society for Science and the Public

ii. Government Witness

1. Stan Jackson, Project Manager, Office of the Deputy Mayor for Planning and Economic Development

D. PR24-0993, the “Provident Group – Bison Property, Inc. Revenue Bonds Project Approval Resolution of 2022”

i. Public Witnesses

1. Donovan Hicks, Chief Legal Officer, Provident Resources Group
2. Chris Hicks, President, Provident Resources Group

ii. Government Witness

1. Gregory Johnson, Project Manager, Office of the Deputy Mayor for Planning and Economic Development

E. B24-1089, the “Howard University Property Tax Exemption Clarification Amendment Act of 2022”

i. Public Witnesses

1. Rashad Young, SVP & Chief Strategy Officer, Howard University

ii. Government Witness

1. Nancy Fox, Senior Policy Analyst, Office of the Chief Financial Officer

F. B24-0930, the “Volunteers of America, Inc. National Service Center Relocation Tax Exemption Amendment Act of 2022”

i. Public Witnesses

1. Mike King, President & CEO, Volunteers of America
2. Mitzie Smith-Mack, Senior Vice President of Legal Affairs, Volunteers of America
3. Simone Goring Devaney, Principal, CSG Urban Partners
4. Lionel Edmonds, Pastor, Mt. Lebanon Baptist Church
5. Ginger Rumph, Executive Director, Douglass Community Land Trust

ii. Government Witness

1. Rick Liu, Senior Policy Analyst, Office of the Chief Financial Officer

G. B24-1034, the “Child Wealth Building Amendment Act of 2022”

i. Public Witnesses

1. Robert Brannum, ANC Commissioner, 5E08

ii. Government Witness

1. Carmen Pigler, Deputy Chief Financial Officer, Office of the Chief Financial Officer

IV. ADJOURNMENT

D

PUBLIC HEARING ON
“Child Wealth Building Amendment Act of 2022,”
Bill 24-1034

Before the
Committee on Business and Economic Development
Council of the District of Columbia

The Honorable Kenyan McDuffie, Chairman

November 22, 2022, 9:00 a.m.



Testimony of
Carmen Pigler
Deputy Chief Financial Officer - Treasurer
Office of the Chief Financial Officer
Government of the District of Columbia

Glen Lee
Chief Financial Officer
Government of the District of Columbia

Good morning, Chairman McDuffie and Members of the Committee on Business and Economic Development. My name is Carmen Pigler, Deputy Chief Financial Officer and Treasurer for the District of Columbia. I am pleased to testify for the Office of the Chief Financial Officer (“OCFO”) on the Child Wealth Building Amendment Act of 2022, Bill 24-1034 (the “Act”).

The Act amends the Child Wealth Building Act of 2021, D.C. Law 24-53, in several important ways. The Child Wealth Building Program (“Program”) will have one fund in lieu of individual accounts; this change makes implementation and management of the Program more efficient and lowers administration costs. Although the Program will consist of a single fund, OCFO will have the capacity to report on the accrued benefits of each child enrolled in the Program.

The change also allows children to be enrolled in the Program up to 18 months after their birth and permits the OCFO to provide information about a Child Trust Fund to parents and guardians for the period of time when the child lacks the legal capacity to request the information.

Thank you for the opportunity to testify. This concludes my testimony, and I am happy to answer any questions you have at this time.

E

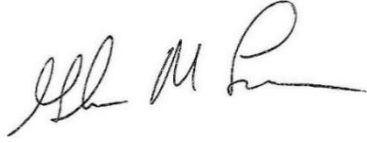
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Glen Lee
Chief Financial Officer 

DATE: November 22, 2022

SUBJECT: Fiscal Impact Statement – Child Wealth Building Amendment Act of 2022

REFERENCE: Bill 24-1034, Draft Committee Print as provided to the Office of Revenue Analysis on October 28, 2022

Conclusion

Funds are sufficient in the fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the bill.

Background

The Child Wealth Building program¹ is a District funded and managed investment program for children born and residing in the District who are born with medical coverage provided by Medicaid, and whose household incomes do not exceed 300 percent of the Federal Poverty Level. Annual deposits are made into an account for eligible children until the child turns 18. At age 18, the participant may receive a disbursement of funds to be used for education, ownership or investment in a District business, property ownership in the District, or retirement savings.

Current law requires the program to establish a separate trust fund² for each child to be managed separately by the District. The bill repeals the requirement that separate trust funds be established for each participant, and instead requires that there are designated amounts for each enrollee within a single investment fund managed by the District.

¹ Child Wealth Building Act of 2021, effective February 18, 2022 (D.C. Law 24-53; 68 DCR 013227)

² D.C. Official Code § 4-681.02.

The Honorable Phil Mendelson

FIS: Bill 24-1034, "Child Wealth Building Amendment Act of 2022," Draft Committee Print as provided to the Office of Revenue Analysis on October 28, 2022.

The bill requires that parental consent be provided for a child's enrollment in the program. Under current law³, children born in the District will be automatically enrolled.

The bill requires the Department of Human Services to annually provide the Office of the Chief Financial Officer with the number of eligible children in the program, as well as demographic information to include in an annual report to Council.

Lastly, the bill extends the deadline for the Office of the Chief Financial Officer to issue rules for the program to December 31, 2022.

Financial Plan Impact

Funds are sufficient in the fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the bill. Changes to the legal structure of participant funds and other administrative requirements established by the bill do not have a cost.

³ D.C. Official Code § 4-681.05.

F



OFFICE OF THE GENERAL COUNSEL

Council of the District of Columbia
1350 Pennsylvania Avenue NW, Suite 4
Washington, DC 20004
(202) 724-8026

MEMORANDUM

TO: Councilmember Kenyan R. McDuffie

FROM: Nicole L. Streeter, General Counsel *NLS*

DATE: November 28, 2022

RE: Legal sufficiency determination for Bill 24-1034, the
Child Wealth Building Amendment Act of 2022

The measure is legally and technically sufficient for Council consideration.

The legislation amends the Child Wealth Building Act of 2021¹ to make clarifying and technical amendments, including that the Child Trust Fund Program will be administered by the Chief Financial Officer in consultation with the Departments of Human Services and Health Care Finance, disbursements will be made directly from the Child Trust Fund, the Department of Human Services will submit specified information to the Office of the Chief Financial Officer by February 1 of each year, and the Chief Financial Officer will submit a comprehensive report for the preceding year to the Council by March 1 of each year.

I am available if you have any questions.

¹ Effective February 18, 2022 (D.C. Law 24-53; D.C. Official Code § 4-681.01 *et seq.*).

G



November 29, 2022

The racial equity impact assessments for the following bills are not included in this document.

Business and Economic Development

PR 24-0839, the “Eastern Branch Boys and Girls Club Disposition Approval Resolution of 2022”

Bill 24-1034, the “Child Wealth Building Amendment Act of 2022”

Bill 24-1089, the “Howard University Property Tax Exemption Clarification Amendment Act of 2022”

Bill 24-0228, the “Fair Meals Delivery Act of 2022”

We, the Council Office of Racial Equity, commit to publishing the completed racial equity impact assessments (REIAs) by the bills’ final readings. Like all completed REIAs, the published assessments will be available on [our website](#) as part of [our REIA database](#).

Until that time, this document will serve as a placeholder to satisfy the [Council Period 24 Rules](#) and not block the bills’ consideration in the legislative process.

The Committee on Business and Economic Development did not provide our team with the time that we both need and require to conduct our assessment of how these bills will impact Black residents, Indigenous residents, and other residents of color in the District of Columbia.

Once we have had adequate time with the bills named above to apply the diligence and rigor that a racial equity impact assessment requires, we will publish our completed REIAs.

A handwritten signature in black ink that reads "Namita H. Mody".

Namita Mody
Director, Council Office of Racial Equity

H

**Comparative Print
B24-1034
Committee on Business and Economic Development
November 29, 2022**

Section 2

D.C. Code § 4-681.01 (Perm). Definitions.

“For the purposes of [Chapter 6D of Title 4](#), the term:

(1) "Age of majority" means 18 years of age.

(2)(A) "Applicable family household" means a household income that is 300% of the federal poverty guidelines or below and enrolled in DC Medicaid.

(B) For the purposes of this paragraph, the term "family household" means one or more persons, all of whom are, related by marriage, birth, or adoption.

(3) "Chief Financial Officer" means the head of the Office of the Chief Financial Officer of the District of Columbia, established by [§ 1-204.24a](#), or the designee of the Chief Financial Officer.

~~(4) "Child trust fund account" means a unique personal identifier, such as a social security number, or other acceptable identification, for each child enrolled in the Child Trust Fund Program to enable the Chief Financial Officer to determine the amount in the Fund, calculating gains, losses, and costs, on a pro rata bases attributable to each eligible child.~~

(5) "CTF Program" means the Child Trust Fund Program established by [§ 4-681.03](#).

(6) "DC Medicaid" means a joint federal/state Medicaid health insurance program that provides health care coverage to low-income and disabled individuals and families who are residents of the District and meet non-financial and financial eligibility requirements.

(7) "Disability certification" means a written certification, determined to be satisfactory by the Chief Financial Officer or rules issued pursuant to [Chapter 6D of Title 4](#), of a diagnosis from a licensed doctor and signed by a licensed physician that the eligible child has a medically determinable physical or mental impairment that results in marked and severe functional limitations lasting for a continuous 12 months or longer or that can be expected to result in death.

(8)(A) "Eligible child" means an individual who:

(i) Was born on or after October 1, 2021, whose birth was subject to medical coverage provided under [DC Medicaid](#) ~~Medicaid~~;

(ii) Is and remains a resident of the District; and

(iii) Has a valid, unique, social security number, or other acceptable identification.

(B)(i) For purposes of subparagraph (A)(ii), the term "resident" means an eligible child that has been domiciled in the District for at least 16 years prior to the age of majority and who is continuously domiciled in the District for the 12 months immediately before reaching the age of majority.

(ii) For the purposes of this subparagraph "domiciled" means having a continuous physical presence in the District and that the District is the individual's fixed, permanent home.

(9) "Enrollee" means an eligible child participating in the Child Trust Fund Program who meets the requirements set forth in [§ 4-681.06](#).

(10) "Federal poverty guidelines" means the measure of income, based on the number of persons in a household, issued every year by the U.S. Department of Health and Human Services used to determine financial eligibility for certain federal programs.

(11) "Fund" means the Child Trust Fund established by [§ 4-681.02](#).

(12) "Home Rule Act" means [Chapter 2 of Title 1](#).

(13) "Medicaid" means the medical assistance programs authorized by title XIX of the Social Security Act, approved July 30, 1965 (79 Stat. 343; 42 U.S.C. § 1396 *et seq.*), or by [§ 1-307.02](#).'

D.C. Code § 4-681.02 (Perm). Child Trust Fund.

~~“(a) There is established as a special fund, the Child Trust Fund ("Fund"), which shall be administered by the Chief Financial Officer in accordance with [subsection \(d\)](#) ~~subsection (e)~~ of this section. The Chief Financial Officer shall establish within the Fund a child trust fund account for each eligible child enrolled in the CTF Program.~~

(b) There shall be deposited into the Fund:

(1) Earnings from investments of the money in the Fund; and

(2) Other monies that may be appropriated for the purposes of [Chapter 6D of Title 4](#).

~~(c) Money in the Fund shall be used for the purpose of establishing a child trust fund account for each eligible child in the CTF Program in accordance with [Chapter 6D of Title 4](#) and rules issued pursuant to [Chapter 6D of Title 4](#).~~

(d) The money in the Fund, which shall consist of all the amounts ~~paid into the fund~~ [paid into the Fund](#) pursuant to subsection (b) of this section, increased by the net earnings from investments of amounts held in the Fund or reduced by the net losses from investments of amounts held in the

Fund, and less total payments, including distributions and administrative expenses, shall be used to:

(1) Make distributions pursuant to [section 7 \(D.C.Official Code § 4-681.06\)](#) and in accordance with the rules issued pursuant to this act;

(2) Pay the cost of administering the Fund; provided, that no more than 2% of the balance in any fiscal year shall be used for this purpose; and

(3) Pay the cost to contract with, if appropriate and necessary, an independent fiduciary to manage the investment of the money in the Fund, including the cost of insurance to cover the potential liability, with respect to the management of the Fund, of the fiduciary; and

(e) The money in the Fund shall not be used for any purpose other than the purposes specified in subsections ~~(e)~~ and (d) of this section.

~~(f)~~(1) The money deposited into the Fund, but not expended in a fiscal year, shall not revert to the unassigned fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time.

(2) Subject to authorization in an approved budget and financial plan, any money appropriated in the Fund shall be continually available without regard to fiscal year limitation.

~~(g)~~(1) All the money in the Fund shall belong to the District government until an amount is dispersed to make a payment pursuant to subsection (d)(2) or (3) of this section or a distribution pursuant to [§ 4-681.06](#).

(2) Prior to distribution pursuant [§ 4-681.06](#), and notwithstanding any other law, money in the Fund designated for an eligible child enrolled in in the CFT program may not be considered:

(A) Gross income of the eligible child or the parent; or

(B) For the purpose of determining eligibility of the eligible child or the parent for financial aid, local or federal, including the Temporary Assistance for Needy Families Program, the federal Low Income Home Energy Assistance Program or Weatherization Assistance Program, an educational aid or grant, or any other need-based aid or grant.”

D.C. Code § 4-681.03 (Perm). Child Trust Fund Program.

“(a) There is established a Child Trust Fund Program, which shall be administered by the Chief Financial Officer, [in consultation with the Department of Human Services and the Department of Health Care Finance](#), under which ~~an annual deposit amounts~~ from the Fund shall be designated ~~to the child trust fund account~~ for each ~~eligible child enrolled~~ [enrollee](#) in the CTF Program [pursuant to section 7 \(D.C. Official Code § 4-681.06\).](#)”.

(b)(1) To meet the eligibility requirements for the CTF Program, the Chief Financial Officer, with parental consent, shall use the ~~Medicaid~~ DC Medicaid participant information received annually from the Department of Human Services, or the Department of Health Care Finance, whichever applies (collectively "agencies") to determine if the household qualifies as an applicable family household: "except, that parental consent shall be provided by the eligible child's parent or guardian within 18 months of the birth of the child to be eligible for enrollment in the CTF Program."

(2) The Chief Financial Officer, or the designee, or employees of the Chief Financial Officer, or employees of the designee, shall not disclose information with respect to a distribution made from the Fund ~~child trust fund account maintained in the Fund~~; except, that information regarding distribution ~~child trust fund account information~~ may be disclosed, pursuant to rule, to the beneficiary of the ~~child trust fund account~~ distribution or to another person at the beneficiary's request.

(3) The Chief Financial Officer, or the designee, or employees of the Chief Financial Officer, or employees of the designee may disclose information regarding a distribution made pursuant to section 7 (D.C. Official Code § 4-681.06) to a parent or guardian if the beneficiary lacks capacity to request the information."

(c)(1) Upon enrollment, an amount of \$500 shall be designated ~~to the child trust fund account~~ in the Fund for the eligible child enrolled in the CTF Program.

(2) By October 1 of the subsequent year, ~~the deposit amount designated to the child trust fund account~~ the deposit amount designated in the Fund for each eligible child enrolled in the CTF Program shall be as follows:

| Household's Federal Poverty Level (FPL) | Annual Deposit Amount <u>Annual Designated Amount</u> |
|--|---|
| 0% to 100% FPL | \$1,000 |
| 101% to 200% FPL | \$800 |
| 201% to 300% FPL | \$600 |

(3) On October 1 of each successive year, the maximum annual ~~deposit~~ amount provided pursuant to this subsection shall increase in proportion to the annual average increase, if any, in the Consumer Price Index for All Urban Consumers, Washington-Baltimore Metropolitan area published by the Bureau of Labor Statistics of the United States Department of Labor for the previous calendar year; provided, that the Chief Financial Officer certifies that funds are sufficient.

(d) If a household is no longer enrolled in the DC Medicaid program or if the household's income increases above the federal poverty guideline, ~~the annual deposit amounts shall cease but the amounts credited to the eligible child's trust fund account during the period of deposits~~ the annual amounts designated in the Fund for the enrollee shall cease but the amounts already designated for the enrollee in the Fund shall remain available for distribution pursuant to § 4-681.06.

D.C. Code § 4-681.05 (Perm). Enrollment in the CTF Program; denial.

“(a)(1) Enrollment in the CTF Program shall be automatic, pursuant to the requirements of section 4 (D.C. Official Code § 4-681.03). Beginning within 60 days after October 1, 2021, the Chief Financial Officer shall obtain from the agencies the information required by paragraph (2) of this subsection and issue rules pursuant to Chapter 6D of Title 4.

(2) The information obtained shall include the full name, social security number, place of birth, annual income, and residential address of the child's parent and the birth date of the child.

(b)(1) Following receipt of the information provided pursuant to subsection (a) of this section, verification by ~~the Chief Financial Officer~~ the Department of Human Services or the Department of Health Care Finance pursuant to § 4-681.03(b) that the child's household is an applicable family household, and, upon finding that the child is an eligible child, as defined in § 4-681.01(8), the Chief Financial Officer shall enroll the eligible child in the CTF Program and within 30 days of the enrollment make the required deposit into the Fund.

(2) The Chief Financial Officer shall send written notification to the parent informing the parent of the child's enrollment in the CTF Program.”

D.C. Code § 4-681.06. Distribution of funds.

“(a)(1)(A) An enrollee shall be entitled to a dedicated share of money in the Fund pursuant to § 4-681.03 only upon reaching the age of majority, or, subject to subparagraph (B) of this paragraph, upon becoming disabled, and only if the enrollee is a current District resident~~+~~ and meets all other requirements set forth in this ~~chapter~~ act.

(B) For an enrollee to be entitled to the funds described in subparagraph (A) of this paragraph before reaching the age of majority due to becoming disabled, the enrollee must file a disability certification.

(2) The amount of money to which an enrollee will be entitled at the age of majority, or following receipt by the Chief Financial Officer of a disability certification, shall be the amounts designated in the Fund pursuant to § 4-681.02(b), less any amounts expended pursuant to § 4-681.02(d)(2) through (3).

(b)(1) A distribution of the funds from the Fund may be used only by the enrollee and only for:

(A) Education; academic or vocational;

(B) Ownership of a District business;

(C) Investment in a District business;

(D) Ownership of a District residential or commercial property; or

(E) Retirement investments, including stocks, bonds, shares, and other similar growth investments.

(2) No funds may be distributed unless the enrollee certifies, in accordance with rules issued by the Chief Financial Officer, that the enrollee is a bona fide resident of the District and that the distributed funds shall be used for a purpose listed in paragraph (1) of this subsection.”

D.C. Code § 4-681.07 (Perm). Reporting requirement.

“(a) By March 1 of each year, the Chief Financial Officer shall submit a report to the Council for the preceding fiscal year that includes:

- (1) The aggregate amount of funds in the CTF Program;
- (2) An aggregated list of the purposes for which distributed funds were used;
- (3) The amount of amount of money in the Fund gained by investments;
- (4) The amount of money in the Fund decreased by investment loss;
- (5) The amount of ~~funding~~ money in the Fund decreased by administrative costs;
- (6) The number of eligible children in the CTF Program;
- (7) The race or ethnicity of each eligible child, where possible.” and
- (8) Recommendations for improving the CTF Program.”.

“(b) By February 1 of each year, the Department of Human Services shall submit the following information to the Office of the Chief Financial Officer for the preceding fiscal year, which the Chief Financial Officer shall include in his annual report to the Council:

- “(1) The number of eligible children in the CTF Program;
- “(2) The race or ethnicity of each eligible child, where possible; and
- “(3) Recommendations for improving the CTF Program.”.

D.C. Code § 4-681.08 (Perm). Rules.

~~“Within 60 days after October 1, 2021, the Chief Financial Officer~~ By December 31, 2022, the Chief Financial Officer shall issue rules to implement §§ 4-681.01 through 4-681.06. In drafting the rules, the Chief Financial Officer may consult with the agencies as the Chief Financial Officers considers necessary and appropriate.

I

10
11 **A BILL**
12
13

14 **IN THE COUNCIL OF THE DISTRICT OF COLUMBIA**
15
16

17 To amend the Child Wealth Building Act of 2021 to authorize distributions from the Child Trust
18 Fund for eligible enrollees, eliminate child trust fund accounts, and for other purposes.
19

20 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
21 act may be cited as the “Child Wealth Building Amendment Act of 2022”.

22 Sec. 2. The Child Wealth Building Act of 2021, effective February 18, 2022 (D.C. Law
23 24-53; D.C. Official Code § 4-681.01 *et. seq.*), is amended as follows:

24 (a) Section 2 (D.C. Official Code § 4-681.01) is amended as follows:

25 (1) Paragraph (4) is repealed.

26 (2) Paragraph (8)(A)(i) is amended by striking the word “Medicaid” and inserting
27 the phrase “DC Medicaid” in its place.

28 (b) Section 3 (D.C. Official Code § 4-681.02) is amended as follows:

29 (1) Subsection (a) is amended as follows:

30 (A) Strike the phrase “subsection (c)” and insert the phrase “subsection
31 (d) in its place.

32 (B) Strike the sentence “The Chief Financial Officer shall establish within
33 the Fund a child trust fund account for each eligible child enrolled in the CTF Program.”.

34 (2) Subsection (c) is repealed.

35 (3) Subsection (d) is amended as follows:

36 (A) The lead-in language is amended by striking the phrase “paid into the
37 fund” and inserting the phrase “paid into the Fund” in its place.

38 (B) Paragraph (1) is amended by striking the phrase “section 7;” and
39 inserting the phrase “section 7 (D.C. Official Code § 4-681.06), and in accordance with the rules
40 issued pursuant to this act;” in its place;

41 (4) Subsection (e) is amended by striking the phrase “subsections (c) and (d) of
42 this section” and inserting the phrase “subsection (d) of this section” in its place.

43 (c) Section 4 (D.C. Official Code § 4-681.03) is amended as follows:

44 (1) Subsection (a) is amended to read as follows:

45 “(a) There is established a Child Trust Fund Program, which shall be administered
46 by the Chief Financial Officer, in consultation with the Department of Human Services and the
47 Department of Health Care Finance, under which amounts from the Fund shall be designated for
48 each enrollee in the CTF program pursuant to section 7 (D.C. Official Code § 4-681.06).”.

49 (2) Subsection (b) is amended as follows:

50 (A) Paragraph (1) is amended as follows:

51 (i) Strike the word “Medicaid” and insert the phrase “DC
52 Medicaid” in its place.

53 (ii) Strike the period and insert the phrase “; except, that parental
54 consent shall be provided by the eligible child’s parent or guardian within 18 months of the birth
55 of the child to be eligible for enrollment in the CTF Program.” in its place.

56 (B) Paragraph (2) is amended to read as follows:

57 “(2) The Chief Financial Officer, or the designee, or employees of the
58 Chief Financial Officer, or employees of the designee shall not disclose information with respect
59 to a distribution made from the Fund; except, that information regarding distribution may be
60 disclosed, pursuant to rule, to the beneficiary of the distribution or to another person at the
61 beneficiary's request.”.

62 (C) A new Paragraph (3) is added to read as follows:

63 “(3) The Chief Financial Officer, or the designee, or employees of the Chief
64 Financial Officer, or employees of the designee may disclose information regarding a
65 distribution made pursuant to section 7 (D.C. Official Code § 4-681.06) to a parent or guardian if
66 the beneficiary lacks legal capacity to request the information.”.

67 (3) Subsection (c) is amended as follows:

68 (A) Paragraph (1) is amended by striking the phrase “to the child trust
69 fund account” and inserting the phrase “in the Fund” in its place.

70 (B) Paragraph (2) is amended as follows:

71 (i) Strike the phrase “the deposit amount designated to the child
72 trust fund account” and insert the phrase “the deposit amount designated in the Fund” in its
73 place.
74

75 (ii) Strike the phrase “Annual Deposit Amount” in the tabular array
76 and insert the phrase “Annual Designated Amount” in its place.

77 (C) Paragraph (3) is amended by striking the phrase “annual deposit” and
78 inserting the phrase “annual amount” in its place.

79 (4) Subsection (d) is amended by striking the phrase “the annual deposit amounts
80 shall cease but the amounts credited to the eligible child’s trust fund account during the period of

deposits” and inserting the phrase “the annual amounts designated in the Fund for the enrollee shall cease but the amounts already designated for the enrollee in the Fund” in its place.

(d) Section 6 (D.C. Official Code § 4-681.05) is amended as follows:

(1) Subsection (a)(1) is amended by striking the phrase “shall be automatic.” and inserting the phrase “shall be automatic, pursuant to the requirements of section 4 (D.C. Official Code § 4-681.03).” in its place.

(2) Subsection (b)(1) is amended by striking the phrase “verification by the Chief Financial Officer” and inserting the phrase “verification by the Department of Human Services or the Department of Health Care Finance” in its place.

(e) Section 7 (D.C. Official Code § 4-681.06) is amended as follows:

(1) Subsection (a) is amended as follows:

(A) Paragraph (1) is amended as follows:

(i) Subparagraph (A) is amended as follows:

(I) Strike the phrase “pro rata share of money in the Fund” and insert the phrase “dedicated share of money in the Fund pursuant to section 4 (D.C. Official Code § 4-681.03)” in its place.

(II) Strike the phrase “resident.” and insert the phrase “resident, and meets all other requirements set forth in this act.” in its place.

(ii) Subparagraph (B) is amended by striking the word “disable” and inserting the word “disabled” in its place.

(B) Paragraph (2) is amended by striking the phrase “credited to his or her child trust fund account” and inserting the phrase “designated in the Fund” in its place.

(2) Subsection (b)(1) is amended by striking the phrase “a child trust fund

account” and inserting the phrase “the Fund” in its place.

(f) Section 8 (D.C. Official Code § 4-681.07) is amended as follows:

(1) Designate the existing text as subsection (a).

(2) The newly designated subsection (a) is amended to read as follows:

“(a) By March 1 of each year, the Chief Financial Officer shall submit a report to the Council for the preceding fiscal year that includes:

“(1) The aggregate amount of funds in the CTF Program;

“(2) An aggregated list of the purposes for which distributed funds were used;

“(3) The amount of money in the Fund gained by investments;

“(4) The amount of money in the Fund decreased by investment loss;

“(5) The amount of money in the Fund decreased by administrative costs;”

“(6) The number of eligible children in the CTF Program;”

“(7) The race or ethnicity of each eligible child, where possible;” and

“(8) Recommendations for improving the CTF Program.”.

(3) A new subsection (b) is added to read as follows:

“(b) By February 1 of each year, the Department of Human Services shall submit the following information to the Office of the Chief Financial Officer for the preceding fiscal year, which the Chief Financial Officer shall include in his annual report to the Council:

“(1) The number of eligible children in the CTF Program;

“(2) The race or ethnicity of each eligible child, where possible; and

“(3) Recommendations for improving the CTF Program.”.

(g) Section 9 (D.C. Official Code § 4-681.08) is amended by striking the phrase “Within 60 days after the applicability of this act, the Chief Financial Officer” and inserting the phrase “By December 31, 2022, the Chief Financial Officer” in its place.

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 4. Effective date.

This act shall take effect following the approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.